VZCZCXRO5933 PP RUEHDBU RUEHLN RUEHVK RUEHYG DE RUEHAH #0348/01 0951201 ZNR UUUUU ZZH P 051201Z APR 07 FM AMEMBASSY ASHGABAT TO RUEHC/SECSTATE WASHDC PRIORITY 8598 INFO RUCNCIS/CIS COLLECTIVE RUEHIL/AMEMBASSY ISLAMABAD 1945 RUEHBUL/AMEMBASSY KABUL 0688 RUEHNE/AMEMBASSY NEW DELHI 0742 RUEHLM/AMEMBASSY COLOMBO 0246 RUEHKA/AMEMBASSY DHAKA 0268 RUEHFR/AMEMBASSY PARIS 0345 RUEHLO/AMEMBASSY LONDON 0414 RUEHRL/AMEMBASSY BERLIN 0375 RUEHKO/AMEMBASSY TOKYO 0246 RUEHRC/DEPT OF AGRICULTURE WASHINGTON DC RUEHBS/USEU BRUSSELS RUEHGV/USMISSION GENEVA 1267 RUEKJCS/SECDEF WASHDC RHEHNSC/NSC WASHDC RUEKJCS/JOINT STAFF WASHINGTON DC//J5/RUE// RHEFDIA/DIA WASHDC RUEAIIA/CIA WASHDC RHMFIUU/CDR USCENTCOM MACDILL AFB FL//CCJ2/HSE/GCJ5// RUCNDT/USMISSION USUN NEW YORK 0492

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SUBJECT: Moderate Changes Mark Turkmenistan's Agricultural People's

Council Meeting

Reftel: A) Ashgabat 328

B) 05 Ashgabat 1192

Summary

- 11. (U) President of Turkmenistan Gurbanguly Berdimuhammedov followed in the footsteps of his predecessor, Saparmyrat Niyazov, with his unanimous election as Chairman of the national People's Council (Halk Maslahaty) during an extraordinary March 30 session. This was followed by a unanimous decision amending the national constitution regarding the People's Council to reflect what was put into practice following the death of President Niyazov on December 21, 2006. These brief agenda items were succeeded by 39 speakers who, with Berdimuhammedov's encouragement, spoke with (relative) frankness about the agricultural situation. At the end of the meeting, the People's Council unanimously adopted the three draft agricultural laws that were proposed and published prior to the meeting (ref A).
- 12. (SBU) While participants continued to offer figurative curtseys to Niyazov's legacy, the session's focus on improving the agricultural sector implicitly undermined successive speakers' claims that Niyazov's attention to agriculture had been beneficial to the sector. There were no surprises until the president concluded the event with the unexpected announcement that the state would increase teachers' salaries and university student stipends by 40% in the 2007-2008 academic year. Berdimuhammedov also gave government leaders ten days to prepare a document for his signature that incorporated the speakers' requests and recommendations. End Summary.

The Setting

¶3. (SBU) The largely scripted five-hour meeting began with Berdimuhammedov taking center-stage in a theater specially commissioned by Niyazov for the March 2007 People's Council meeting. The recently completed marble and gold theater, adorned with Niyazov-era glitz and symbols (pictures of Niyazov and signs of Niyazov's spiritual guidebooks Ruhnama and Ruhnama II) was filled to capacity with 2,604 attendees, including 2,489 delegates. The five regional delegations rehearsed "spontaneous" demonstrations of affection for the new president while awaiting the start, waving national flags, banners and portraits of the first president. Every speaker, from minister to token farmer, began his speech by praising the new president for his successes thus far, including the new social security law, and wishing him continued success. To a person, the speakers praised former President Niyazov's attention to the agricultural sector and concurrently encouraged delegates to pass the three draft laws to improve Turkmenistan's agriculture (ref A).

Some Thing(s) Old

- 14. (SBU) In keeping with historical practice, the unanimously elected chairperson, Berdimuhammedov, came prepared for his new role and immediately appointed the Speaker of the Parliament (Mejlis), Akja Nuberdiyeva, as the First Deputy of the People's Council, and First Secretary of the Democratic Party of Turkmenistan, Onjuk Musayev, as the Deputy Chairman of the People's Council. Both deputies had pre-selected seats on either side of Berdimuhammedov.
- $\underline{\mathbb{1}}$ 5. (SBU) The speakers represented a broad cross-section of the public-sector agricultural industry, but there were no

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private-sector representatives. Each of the five regional governors had an opportunity to speak. When the governor of Dashoguz Region proposed to an enthusiastically supportive crowd the creation of a new district, the president immediately signed a decree. And, although the meeting was introduced by Berdimuhammedov as a "discussion," he alone directed questions and comments to several of the senior presenters, including a direct admonition to the Minister of Agriculture Esenmyrat Orazgeldiyev to "speak directly, not philosophically" about changes that were needed in agriculture.

Some Thing(s) New

- 16. (SBU) Senior members of the diplomatic corps, who were strongly encouraged to attend the event, agreed that the atmosphere was substantially more relaxed than in Niyazov's day, when the late president would make caustic and sometimes insulting comments to speakers. Although the presenters were obviously hand-picked and rehearsed, there were several frank comments that showed incremental signs of a sector-wide reality check. Notably, the words "crop rotation" were uttered by several speakers, as was the need for increased prices being paid to farmers for wheat and cotton. Most outstanding was Governor of Balkan Region Orazmyrat Niyazliyev's distinct omission of any discussion of cotton for his region. (Note: The Balkan region suffers from insufficient water resources and poor soil, both of which are necessary for cotton growing. End Note.) Instead, Niyazliyev's assessment focused on the regional development of fruit, vegetables, dairy products and livestock (ref B).
- ¶7. (U) During his closing speech, Berdimuhammedov promised to raise teachers' salaries and university students' stipends beginning with the 2007-2008 academic school year, and the March 31 edition of the state-owned Russian language newspaper, "Neutral Turkmenistan," confirmed that salaries would be increased by 40%. Berdimuhammedov also made a \$3 million grant to finish the 10-year construction of a mosque in Mary city that had been halted by Niyazov.

Some Thing(s) Obvious

(SBU) Several speakers focused on water usage, salinization and depleting water tables. Specifically, the governor of the Dashoguz Region requested that the government commission a salinization map, and several others called for higher state prices for wheat and cotton. All practical suggestions received enthusiastic responses from the audience. There were several calls for improved technical assistance, with the governor of Lebap Region noting the need for improved tractor operator training and the director of the Scientific Institute in the Ministry of Agriculture saying that region-specific weather conditions needed to be analyzed for national planning, along with improved seed selection, specialist training and crop disease analysis. Berdimuhammedov twice consented to speakers' calls to increase the state purchase price of wheat. He also agreed that farmers should sell their cotton to the State cotton concern, which would pay for their crops upon delivery to its regional purchasing centers, rather than continuing the practice of making farmers wait for several months, until after the joint stock companies sold and delivered the cotton to the final purchasers. Berdimuhammedov promised the Halk Maslahaty members that a formal document on this provision would be published in ten days.

## Comment

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¶9. (SBU) The meeting offered little satisfaction to those looking for sea changes in political and agricultural policy: neither the

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Halk Maslahaty as a body nor Berdimuhammedov made any overt moves to change either People's Council procedures or the practice of having the president double-hat as Halk Maslahaty Chairman. However, the session did reinforce Berdimuhammedov's by-now established approach to reshaping post-Niyazov Turkmenistan, including both relatively reality-based public discussion and incremental change. The new president seems to be touching all of the right social hot buttons. Perhaps the most striking outcome was the small details in the supporting events that show a slow change in people's expectations: the two concerts that sandwiched the meeting included performers who were banned under Niyazov, and an elder from the host region of Mary, who challenged Berdimuhammedov during his live-broadcast arrival at the airport to include Mary province in future development plans. The next People's Council has been scheduled for December 2008, after the next election of the council delegates.

¶10. (SBU) The amalgam of the speakers' suggestions represent an industry overhaul, although nothing approximating an agricultural revolution was mentioned. Specifically absent from the draft legislation (ref A), and missing from all of the presentations, was the call for land reform. The focal point consistently was on what the state could do to improve the currently broken public sector system. Most importantly, there were no changes proposed in the legislation or presented during the People's Council meeting to disband the State Agricultural Joint Stock Companies that control the wheat sector and a majority portion of the cotton sector. End Comment.

HOAGLAND